

Axis Annual Analysis 2025



Inox Wind Ltd.

Deleveraged, Diversified, and Ready to Deliver!

Summary

FY25 was a turnaround year for **Inox Wind Ltd. (IWL)** with revenues more than doubling YoY and PAT standing at Rs 438 Cr (vs. a loss in FY24), while the balance sheet transitioned to a net cash position post the merger with Inox Wind Energy Ltd. The company's order book is now at a record high of ~3.1 GW, which provides good revenue visibility. The commissioning of a nacelle and hub facility, backward integration into cranes and transformers, and progress on the 4.X MW platform enhance the company's execution capability and margins. Supported by group synergies and a favourable sectoral backdrop, IWL has entered a new phase of scale and profitability.

Key Highlights

- **Financial Performance:** In FY25, IWL delivered strong financials with revenue doubling to Rs 3,557 Cr (+104% YoY) and EBITDA rising 182% YoY to Rs 757 Cr. The company reported a PAT of Rs 438 Cr, a sharp turnaround from a loss of Rs 53 Cr in FY24, while cash PAT surged nearly 8x YoY to Rs 734 Cr. Post a debt reduction of Rs 2,050 Cr, the balance sheet shifted to a net cash position (interest-bearing net debt), further reinforced by a CARE A1+ short-term rating upgrade.
- **Operational Review:** In FY25, Inox Wind executed 705 MW of projects (+88% YoY) and secured ~1.5 GW of new orders, taking the order book to a record ~3.2 GW. The company expanded capacity with a new nacelle and hub facility in Ahmedabad, initiated backward integration in cranes and transformers, and scaled its O&M arm to 5.1 GW with entry into solar O&M. It also undertook blade upgrades and initiated preparations for the launch of its 4.X MW platform in FY26.
- **Key Competitive Strengths:** IWL's fully integrated model spanning manufacturing, EPC, and O&M provides end-to-end control over project execution. A strengthened balance sheet with net cash and sanctioned banking limits of ~Rs 2,200 Cr enhances financial flexibility. The company's diversified customer base includes marquee PSUs such as NTPC and NLC, IPPs, and corporates like Hero Future Energies, Serentica, and Gentari. Backed by the INOXGFL Group, IWL benefits from synergies across wind, solar, hybrid, and BESS segments, while its credit profile has been further reinforced by rating upgrades and improved financials.
- **Growth Drivers:** India's target of 100 GW wind capacity by 2030, supported by FY25 additions of ~4.15 GW (the highest in seven years), provides a structural growth runway. Policy support through DCR norms and hybrid tenders, along with rising demand for hybrid and RTC power solutions, is expected to accelerate project activity. Additionally, the group's expansion into solar manufacturing via Inox Solar will create incremental opportunities for EPC execution and O&M services.
- **Key Company Strategies:** IWL aims to scale its annual execution capacity to 1.2 GW in FY26 and 2 GW in FY27, while preparing for the commercial launch of its next-gen 4.X MW turbine platform tailored for low-wind Indian sites. The company is deepening backward integration to improve margins and mitigate execution bottlenecks, while following a selective order intake strategy to preserve profitability and execution visibility. It also plans to expand into solar and hybrid EPC through IRSL and double its O&M portfolio to 10 GW over the next two years.

Outlook & Valuation

The company's strong orderbook and favourable wind sector outlook provide long-term revenue visibility. We assign a target P/E multiple of 30x (Unchanged) to our FY27 EPS estimate. After adjusting for the minority stake in Inox Green Energy Services Ltd and Resco Global (~7%), we arrive at a TP of Rs 190/share. We maintain our **BUY** rating on the stock, with a potential upside of 28% from the CMP.

Key Financials (Standalone)

(Rs Cr)	FY24	FY25	FY26E	FY27E
Net Sales	1,743	3,557	5,600	9,058
EBITDA	269	757	967	1,551
Net Profit	(51)	435	882	1,218
EPS (Rs.)	(1.6)	2.8	5.1	7.0
PER (x)	NA	59.3	29.2	21.1
P/BV (x)	10.0	5.2	4.3	3.6
EV/EBITDA (x)	76.1	36.8	27.7	17.0
ROE (%)	-2.4%	13.3%	16.1%	18.6%

Source: Company, Axis Securities Research

(CMP as of 12th September, 2025)

CMP (Rs)	149
Upside /Downside (%)	28%
High/Low (Rs)	258/128
Market cap (Cr)	25,742
Avg. daily vol. (6m) Shrs.	83,01,172
No. of shares (Cr)	173

Shareholding (%)

	Dec-24	Mar-25	Jun-25
Promoter	48.27	48.27	44.18
FII	15.26	15.68	13.78
Mutual Funds /	7.28	7.15	6.98
Financial Inst	0.00	0.00	0.00
Others	29.19	28.90	35.06

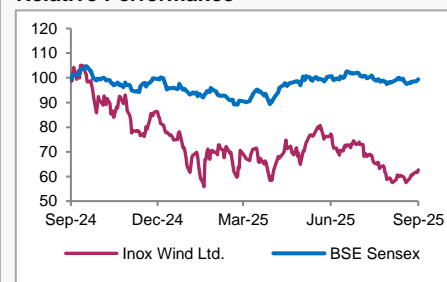
Financial & Valuations

Y/E Mar (Rs. Cr)	FY25A	FY26E	FY27E
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ROE (%)	13.3%	16.1%	18.6%

Change in Estimates (%)

Y/E Mar	FY25A	FY26E	FY27E
Net Sales	104	57	62
EBITDA	182	28	60
Net Profit	NA	103	38

Relative Performance



Source: AceEquity, Axis Securities Research

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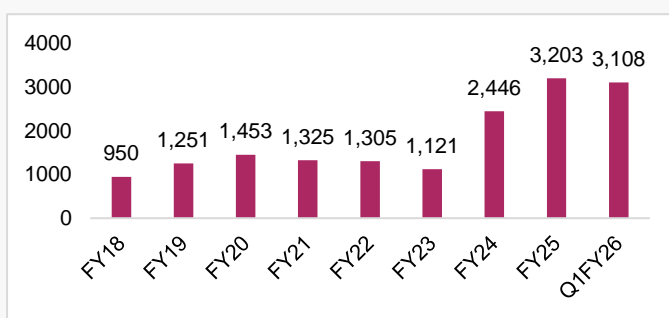
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FY25 Story in Charts

Exhibit 1: Order Book Stood at All-time High in FY25...



Source: Company, Axis Securities Research

Exhibit 2: With a Balanced Mix of Turnkey and Supply

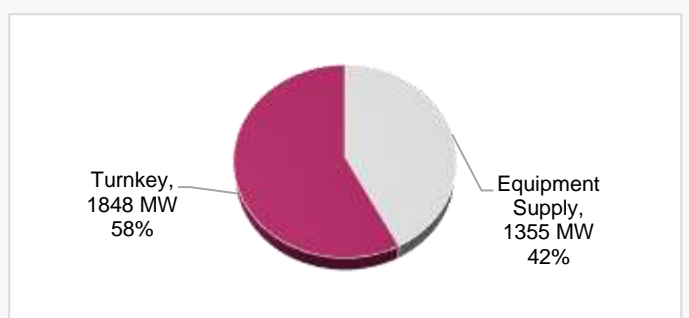
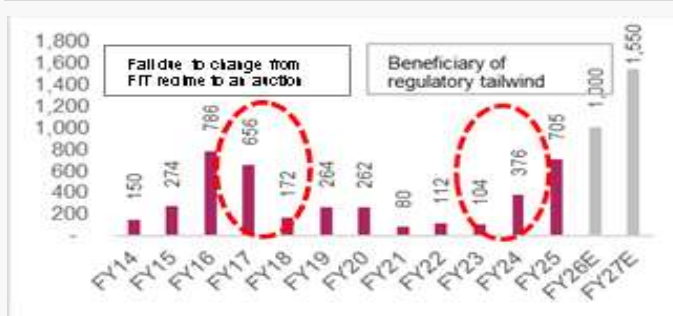


Exhibit 3: Journey Towards 2 GW Annual Execution



Source: Company, Axis Securities Research

Exhibit 4: ...Will Drive Revenue Growth YoY

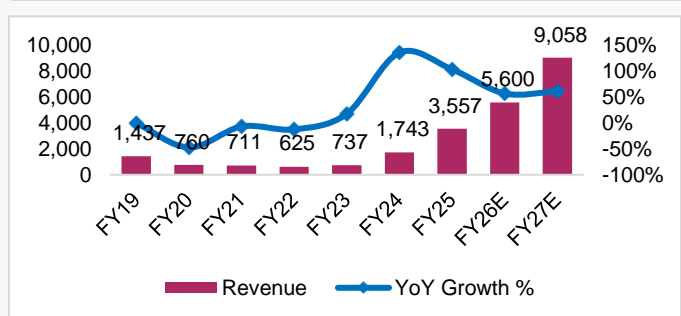
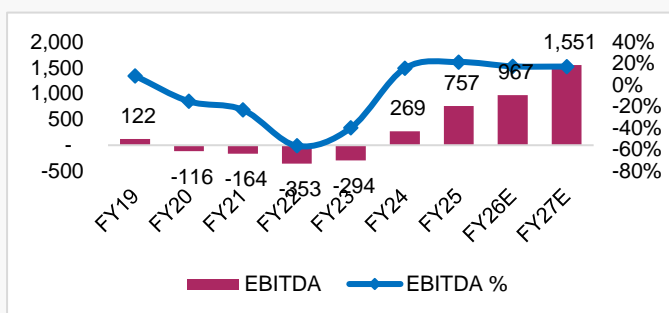


Exhibit 5: EBITDA to Grow YoY on Higher Execution



Source: Company, Axis Securities Research

Exhibit 6: ...Leading to PAT Growth

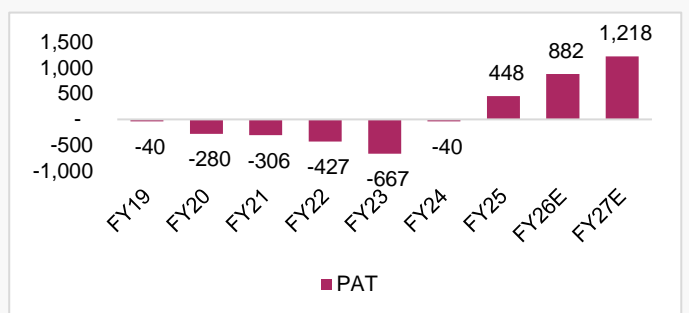
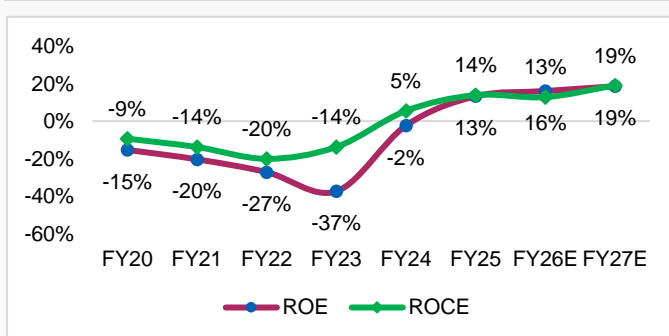
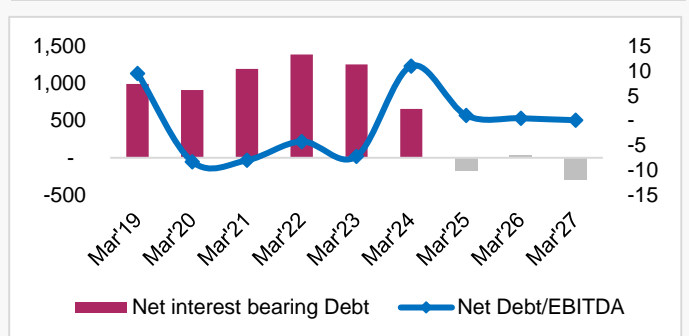


Exhibit 7: Higher PAT Leading to Higher ROE



Source: Company, Axis Securities Research

Exhibit 8: Debt (exl. Promoter Debt) Turned Zero in FY25



FY25 Performance Roundup

Key Operational Activities - Record Execution Achieved in FY25

In FY25, Inox Wind delivered its strongest operational performance to date with record execution of 705 MW, an 88% YoY increase, and closed the year with a robust, diversified order book of ~3.2 GW, reflecting ~30% YoY growth and the largest pipeline in its history. The company secured fresh inflows of around 1.5 GW, driven by strong demand for its 3 MW class turbines, and added marquee clients including NTPC, NLC India, CESC, Hero Future Energies, Continuum, Serentica, Gentari, and Inox Clean Energy. The order book is well balanced between equipment supply orders (~1,355 MW, ~42%) and end-to-end turnkey EPC projects (~1,848 MW, ~58%), ensuring both execution visibility and margin expansion.

Beyond Turbine Execution, Subsidiaries also Strengthened the Platform: Inox Green expanded its O&M portfolio to ~5.1 GW and entered solar and hybrid services, while Inox Renewable Solutions broadened into solar and hybrid EPC and crane services. With this integrated model and strong pipeline, Inox Wind has clear execution visibility of over 1,200 MW in FY26 and 2,000 MW in FY27, positioning it to capture opportunities in India's accelerating clean energy transition.

Inox Wind delivered its strongest operational performance in FY25 to date with record execution of 705 MW, and closed the year with a robust, diversified order book of ~3.2 GW, reflecting ~30% YoY growth and the largest pipeline in its history.

Product Details

- 3 MW WTGs (core revenue driver; designed for Indian low-wind conditions).
- Upcoming 4.X MW WTGs (next-gen platform, commercial rollout in FY26).
- Blades, Towers, Hubs, Nacelles – In-house manufacturing ensures cost and quality control.
- Ancillary Products – Transformers, cranes for execution efficiency.

Key Financial Performance

In FY25, Inox Wind's growth was driven by the successful scale-up of its 3 MW turbines, which supported record execution of 705 MW (+88% YoY) and helped revenue more than double to Rs 3,557 Cr (vs. Rs 1,743 Cr in FY24). The revenue mix was led by turbine manufacturing and turnkey EPC, while O&M services expanded to ~5.1 GW, adding steady annuity revenues. Backward integration into transformers and cranes improved cost efficiency, lifting EBITDA margins to ~21% from ~15% in FY24. The company deployed its first in-house cranes in FY25 and plans to expand the fleet in FY26, enhancing cost efficiency and supporting turnkey execution across multiple sites. With the upcoming 4.X MW platform slated for FY26, IWL is well placed to sustain product and revenue diversification.

Key Financial Performance

Metric	FY25	FY24	YoY Change	Key Reasons for Change
Revenue	3,557	1,743	104%	Strong execution of 705 MW (+88% YoY), robust order inflows (~1.5 GW), higher capacity utilisation, and successful turbine supply contracts. EPC, O&M and component manufacturing also contributed.
EBITDA	757	269	182%	Scale benefits from higher execution, cost optimisation, backward integration (transformer facility, crane deployment), and improved project timelines.
EBITDA Margin	~21%	~15%	+600 bps	Operating leverage from higher volumes, efficiency gains, and margin expansion due to backward integration (transformer facility, crane deployment).
PAT (Attrib)	448	-40	Turnaround to profit	Turned profitable due to revenue scale-up, higher margins, balance sheet deleveraging (Rs 2,050 Cr liability reduction post-merger with IWEL), and improved execution efficiency.

Source: Company, Axis Securities Research

Corporate Actions – FY25

Inox Wind's FY25 corporate actions collectively marked a **decisive balance sheet and governance reset**.

Corporate action	Details	Implications
Merger with Inox Wind Energy Ltd. (IWEL)	Reverse merger of IWEL with IWL, effective 1st July 2023; NCLT approval in May'25; ~Rs 2,050 Cr liabilities extinguished.	Strengthened balance sheet, shifted to net cash, simplified corporate structure, improved credit profile.
Equity & Preference Capital Raising	Cumulatively raised ~Rs 2,300 Cr through equity, preference shares, and warrants. Included Rs 1,250 Cr via rights issue; IGESL raised Rs 1,050 Cr; IRSL raised Rs 525 Cr.	Infusion of growth capital, enhanced liquidity, provided funds for execution ramp-up without high leverage.
Bonus Issue	Allotted ~97.8 Cr equity shares in May'24 in the ratio of 3:1.	Improved liquidity in the stock, widened retail participation, though EPS dilution (adjusted).
Preference Shares to Promoter (IWEL)	Issued 50 Cr and 20 Cr 0.01% non-cumulative redeemable preference shares (Rs 10 FV) to IWEL on private placement.	Strengthened promoter support; quasi-equity infusion improving financial stability.
Debenture Redemptions	Fully redeemed listed NCDs: Rs 500 Cr (Apr'24), Rs 490 Cr (Apr'24), Rs 75 Cr (Oct'24).	Reduced debt burden and interest outgo; eliminated refinancing risks.
Employee Stock Option Scheme (ESOS 2024)	Introduced ESOS 2024 (32 Lc options, revised to 1.3 Cr post bonus adjustment); approved by shareholders in May'24.	Enhances employee alignment, retention, and incentivisation; minor EPS dilution in the medium term.
Bank Consortium Agreement	Secured ~Rs 2,200 Cr largely non-fund-based limits (BGs & LCs).	Provides strong execution capability for large projects without additional debt.

Source: Company, Axis Securities Research

Segment-wise Performance

The Company is engaged in the following business activities, which are considered a single business segment:

- Manufacturing of Wind Turbine Generators (WTG);
- Erection, procurement & commissioning services (EPC); (Through IRSL)
- Operations & Maintenance services (O&M); (Through IGESL)
- Common infrastructure facility services for WTGs

Inox Green Energy Services Ltd. (IGESL – O&M Arm)

- **Operational:** The company expanded O&M portfolio to ~5.1 GW, with strategic entry into solar and hybrid O&M beyond wind and common infrastructure. Strong annuity model with long-term contracts (5–20 years), supported by PSU and IPP clients. It is targeting a 10 GW portfolio in two years, ensuring steady cash flows.
- **Financial:** IGESL raised Rs 1,050 Cr via preferential equity and warrants from marquee investors, bolstering its balance sheet and growth plans. On a consolidated basis, it contributed 8.8% PAT of IWL.

Inox Renewable Solutions Ltd. (IRSL – EPC Arm)

- **Operational:** Expanded service scope from wind EPC into solar EPC, hybrid RE EPC, and crane services, creating a broader infrastructure platform. Supported IWL's execution ramp-up (705 MW in FY25, +88% YoY).
- **Financial:** IRSL cumulatively raised Rs 525 Cr in FY25 through equity/preference capital, ensuring adequate liquidity for execution scaling. It remains central to IWL's target of 1.2 GW execution in FY26 and 2 GW in FY27.

IGESL provides stable annuity revenues with strong visibility, while IRSL drives execution scalability and diversification into solar/hybrid EPC. Together, they complement IWL's OEM business model, enhancing integration across the renewable value chain. Importantly, the capital raises (~Rs 1,575 Cr across IGESL & IRSL in FY25) strengthen their standalone balance sheets, allowing accelerated growth without additional leverage at the parent level.

Factors Responsible for Growth/De-growth

Category	Factors	Impact
Growth Drivers	Higher execution volumes – 705 MW in FY25 (+88% YoY)	Boosted revenue and scale benefits
	Revenue expansion to Rs 3,557 Cr (+104% YoY)	Strong turbine sales and EPC execution
	EBITDA margin improvement (~21% vs. ~15% in FY24)	Cost optimisation, backward integration into transformers and cranes
	PAT turnaround to Rs 448 Cr (vs. loss of Rs 40 Cr in FY24)	Deleveraging of Rs 2,050 Cr liabilities, stronger cash flows
	Order book growth to ~3.2 GW (+28% YoY)	Execution visibility of 1,200 MW in FY26 and 2,000 MW in FY27
	O&M expansion to ~5.1 GW portfolio	Steady annuity revenues, diversification into solar and hybrid O&M
Past Weakness / De-Growth Factors (Addressed)	Balance sheet stress from high debt	Resolved via IWEL merger and rights issue → net cash position
	Execution bottlenecks (crane availability, component sourcing)	Mitigated through backward integration, faster timelines
	Industry volatility & policy uncertainty	Improved tendering activity and renewable push supported FY25 growth.

Source: Company, Axis Securities Research

Key Subsidiary Performance

IWL has two material subsidiaries, viz, Inox Green Energy Services Ltd. IGESL (O&M arm of the company) and Inox Renewable Solutions Ltd. (IRSL, EPC arm, formerly known as Resco Global) are contributing annuity revenues and diversification. Together, they contributed over 14% of consolidated profit in FY25. Inox Wind Ltd (IWL) is the holding company, and it drives the bulk of profits (manufacturing + turbine supply). Together, the structure provides integrated exposure: Manufacturing (IWL) + EPC (IRSL) + O&M (IGESL). In addition to the two major subsidiaries, it has several stepdown Smaller SPVs (stepdown subsidiaries), which have a negligible impact on the consolidated P&L of the company.

Key Subsidiary Performance

Entity	% of Consolidated Net Sales	% of Consolidated Net Assets	Net Assets (Rs Cr)	% of Consolidated Profit/Loss	Profit / (Loss) (Rs Cr)	Remarks
Inox Wind Limited (Holding Co) (Standalone entity)	98%	80.62%	4,519	87.76%	384	Core business: turbine manufacturing & supply. Drove the bulk of FY25 revenue and profit turnaround.
Inox Green Energy Services Ltd. (IGESL) [55.93%]	6.62%	36.38%	2,039	8.80%	38.5	O&M arm; portfolio at ~5.1 GW, diversified into solar & hybrid O&M.
Inox Renewable Solutions Ltd. (IRSL) [91.9%]	6.13%	17.03%	955	5.62%	24.6	EPC arm; expanded into solar, hybrid EPC, cranes & transformers.
Marut-Shakti Energy India Ltd.	Negligible	-0.58%	-32.6	-0.72%	-3.2	Small SPV, loss-making. Step Down Subsidiary
RBRK Investment Ltd.	Negligible	-0.50%	-27.9	-0.57%	-2.5	Minor holding entity; loss-making. Step Down subsidiary
Other SPVs (Sarayu, Satviki, Vinirrrmaa, etc.)	Negligible	<1% combined	Negligible	Small losses	Not material at the group level.	Step Down Subsidiaries

Source: Company, Axis Securities Research

Key Growth Drivers

- **Highest Ever Order Book:** The company expanded its order book to a record 3.2 GW, providing strong visibility for future growth. This was driven by new orders totalling around 1.5 GW from customers such as Continuum, Hero Future Energies, Amplus, Inox Clean Energy, and Serentica.
- **Strengthened Balance Sheet:** The merger of Inox Wind Energy Limited with Inox Wind and previous capital raises resulted in a net cash position and a significant reduction in liabilities by Rs 2,050 Cr.
- **Increased Execution Capacity:** The company executed 705 MW of orders in FY25, an 88% increase over the previous year. The new nacelle and hub manufacturing facility near Ahmedabad also became operational, enabling larger-scale execution.
- **Favourable Market Conditions; Sector Outlook is Positive:** The Indian wind and hybrid/FDRE energy market expanded significantly, with 15.5 GW of capacity awarded in FY25. Favourable government policies, such as the Domestic Content Requirement (ALMM), also supported domestic manufacturers. In 2025, India reached a significant milestone of 50 GW of installed wind capacity. The National Electricity Plan (NEP) targets to add 400 GW of wind power capacity by 2047, creating long-term opportunities for equipment manufacturers and maintenance services. The government's 2032 target is to reach 140 GW of installed wind capacity.

Highest Ever Order Book, Strengthened Balance Sheet, Increased Execution Capacity and favorable Market Conditions are the key growth drivers of the Company.

Competitive Strengths/Advantages

- **Strong Group Pedigree:** Backed by the multi-billion-dollar INOXGFL Group, the company benefits from a strong management team, industry expertise, and strategic guidance.
- **Integrated Business Model:** Inox Wind is a fully integrated player in the wind energy market, offering end-to-end solutions from manufacturing and EPC to O&M services. The company has a robust and fully integrated manufacturing infrastructure with over 2.5 GW of capacity spread across five facilities in India. This includes the production of blades and tubular towers, as well as hubs and nacelles. This vertical integration helps in quality control, timely execution, and better profit margins. It has also backward-integrated into transformer manufacturing and offers its own cranes, reducing dependency on external vendors. The strategic location of these facilities near windy regions helps minimise logistical costs and risks.
- **Robust Creditworthiness:** The company has a strong balance sheet with a net cash position and top-tier credit ratings from CARE (A1+) and Acuite (A1+) for short-term banking facilities.
- **Large and Diversified Order Book:** The company's robust order book of 3.2 GW, diversified across various customers including PSUs, IPPs, and C&I clients, provides strong revenue visibility and mitigates concentration risk.
- **Technological Prowess:** The company's wind turbines are specifically designed for low wind speed conditions prevalent in India. It has a 2MW and 3MW class WTG and has secured a license for a new 4.X MW platform.
- **Geographical Presence:** The company has a strong pan-India presence, with manufacturing plants located in wind-intensive regions like Gujarat, Himachal Pradesh, and Madhya Pradesh. It has installed WTGs in all eight major windy states of India and owns land and infrastructure for future projects. The O&M subsidiary, Inox Green Energy Services, manages a portfolio of ~5.1 GW across 12 renewable energy-rich states, ensuring operational agility and service responsiveness.
- **Project Site Infrastructure:** The company has an extensive project site inventory with a potential capacity of over 5,000 MW, supported by well-developed power evacuation infrastructure. This allows for quick and easy commissioning of WTG capacities for customers on a "plug-and-play" basis.

Strong Group support, Integrated Business Model, Robust Creditworthiness, Large and Diversified Order Book, Technological Prowess, Geographical Presence and Project Site Infrastructure are key competitive strengths of the company

Key Strategies Implemented During the Year

- **Capacity Expansion and Backward Integration:** The company operationalised a new nacelle and hub manufacturing facility near Ahmedabad to enable larger-scale execution. It also pursued backward integration initiatives, including the deployment of its own cranes at project sites and the commencement of a transformer manufacturing facility.
- **Technological Advancements:** The company made substantial progress in developing its next-generation 4.X MW turbine platform, with a commercial launch planned for FY26. This is in addition to the successful full year of operations of its 3 MW class turbines.
- **Portfolio Diversification:** The company's subsidiary, Inox Green Energy Services Ltd., expanded its O&M portfolio to 5.1 GW and ventured into the solar O&M segment. The EPC arm, Inox Renewable Solutions Ltd., also broadened its service offerings to include solar and hybrid projects.
- **Strengthening of the Balance Sheet:** The company completed the merger of Inox Wind Energy Limited, which reduced liabilities by Rs 2,050 Cr and helped achieve a net cash balance sheet. It also cumulatively raised Rs 2,300 Cr through equity, preference equity, and warrants from domestic and global investors.

▪ The company operationalised a new nacelle and hub manufacturing facility near Ahmedabad to enable larger-scale execution.

▪ It made substantial progress in developing its next-generation 4.X MW turbine platform, with a commercial launch planned for FY26.

Key Strategies Moving Forward

- **Scaling Execution Capacity:** The company aims to increase its annual execution capacity to 1.2 GW in FY26 and 2 GW in FY27.
- **Innovation and Technology Upgrades:** The company plans to continuously upgrade its technology, including blade enhancements and the commercial launch of its advanced 4.X MW platform in FY26.
- **Expanding Product and Service Portfolio:** This includes strengthening backward integration, further diversifying into hybrid and solar solutions through its subsidiaries, and expanding its O&M portfolio to 10 GW within the next two years.
- **Strengthening Market Position:** The company plans to leverage its integrated model and turnkey execution capabilities to capitalise on emerging opportunities as India accelerates its renewable capacity build-out.

▪ The company aims to increase its annual execution capacity to 1.2 GW in FY26 and 2 GW in FY27.

Risks and Mitigation

- **Technology Risk:** Potential challenges from failures or obsolescence in turbine technology.
- **Mitigation:** The company collaborates with global firms like AMSC and holds licenses from WINDnovation and W2E to introduce advanced technology, such as the 4.X MW WTGs.

- **Project Execution Risk:** Delays due to factors like securing permits, adverse weather, or grid constraints.
- **Mitigation:** The company closely monitors project timelines and conducts thorough site feasibility studies to ensure smooth execution.

- **Competition Risk:** The highly competitive wind energy sector requires constant innovation and cost-efficient technology development.
- **Mitigation:** The company conducts ongoing market research, maintains in-house manufacturing for critical components, and invests in R&D for next-generation turbine designs.

- **Regulatory Risk:** Changes in policies affecting imports, wind policies, or power evacuation infrastructure.
- **Mitigation:** The company actively tracks regulatory changes and has obtained all necessary permits for manufacturing and project execution to respond swiftly to policy shifts.

- **Financial Risk:** Exposure to currency volatility, interest rate changes, and liquidity challenges.
- **Mitigation:** The company uses hedging instruments to manage financial risks, evaluates compliance with financial regulations, and has a strong credit profile and banking relationships.

Operational Performance & Financial Statement Analysis

Profitability Analysis

(Rs Cr)

Particulars	FY24	FY25	Change (%)	Comments
Sales	1,743	3,557	104%	Consolidated revenue more than doubled; this surge was driven by a sharp increase in project execution, which grew by 88% to 705 MW in FY25. Revenue from the manufacturing segment also rose significantly due to higher turbine volumes and improved realisations.
Raw Material expenses	1,031	2,074	101%	The significant increase in sales and project execution led to a corresponding rise in raw material consumption.
Gross Profits	712	1,483	108%	The increase in revenue, coupled with improved operational efficiencies and cost discipline, contributed to a rise in gross profits.
Operating expenses	443	726	64%	The increase in sales, as well as operational expansion, contributed to a rise in operating expenses. The company incurred additional costs for liquidated damages and power generation losses, which were higher in FY25. Additionally, there were write-offs of advances to vendors.
EBITDA	269	757	182%	Strong execution and improved cost discipline, which led to a significant improvement in EBITDA
D&A	110	182	66%	
EBIT	159	575	262%	
PAT	(51)	435	NA	The company swung from a consolidated net loss in FY24 to profit in FY25. This turnaround was a result of the doubled revenue and a 180% increase in EBITDA, demonstrating strong operational performance and a healthier balance sheet.

Source: Company, Axis Securities Research

Margin Analysis

(%)

Particulars	FY24	FY25	Change (bps)	Comments
Gross Profit Margin	41%	42%	85.8	An increase in both revenue and raw material expenses in FY25 suggests that the cost of materials grew alongside sales.
EBITDA Margin	15%	21%	587.6	EBITDA margins improved, led by enhanced operational efficiency, higher sales volumes, and cost reduction initiatives.
PAT Margin	-3%	12%	NA	The company's PAT margin turned positive in FY25, reversing a loss-making trend. This shift to profitability was driven by the substantial increase in revenue.

Source: Company, Axis Securities Research

Financial Ratios
(Rs Cr)

	FY24	FY25	Comments
ROE	-2%	13%	The company returned to profitability in FY25, driving an increase in ROE
ROCE	5%	14%	ROCE, similar to ROE, indicates a positive trend led by higher execution levels and strong operational performance.
Asset Turnover	0.27	0.46	Improved operating leverage led by higher order execution, leading to an improvement in Asset turnover
Net Debt/Equity	1.35	0.14	Operational performance and capital raise during the year led to a significant reduction in borrowings. This includes Promoter Debt and Supplier's Credit.
Net Debt/EBITDA	11.00	1.07	
Net Debt/Equity on Interest-bearing debt	0.30	-0.03	Operational performance and capital raise during the year led to a significant reduction in borrowings, and the company achieved a net cash balance sheet (excl. Promoter Debt and Suppliers Credit).
Net Debt/EBITDA on interest-bearing debt	2.44	-0.22	

Source: Company, Axis Securities Research

Key Balance Sheet Takeaways
Working Capital Cycle Improved in FY25

In FY25, Inox Wind demonstrated a notable improvement in its working capital efficiency. Receivable days stood elevated due to the sector's long collection cycle. Inventory days reduced to ~139 (vs. ~261 in FY24), reflecting better scheduling, higher order execution, and tighter supply chain management, which freed up significant capital previously locked in project inventory. On the liability side, payable days declined to ~109 (vs. ~127 in FY24), as improved balance sheet strength, higher credit ratings, and backward integration gave the company more leverage to negotiate efficient vendor terms without overly extending the cycle.

Overall, the working capital profile shows a shift towards balance — receivables remain structurally high, but inventory efficiency and healthier payables have eased cash flow pressures. This positions the company better to fund growth internally while supporting its ambitious scale-up in project execution.

WC Cycle	FY24	FY25	Comments
Inventory Days	261	139	Inventory days improved sharply, implying higher inventory turnover, supported by higher execution and better project scheduling.
Trade Receivables	238	276	Receivable days remain relatively stretched as order execution picked up
Trade Payables	127	109	Improvement due to efficient vendor management
Cash Conversion Cycle	372	305	

Source: Company, Axis Securities Research

FY25 was a Debt Restructuring Year to Clean-up the Balance Sheet

In FY25, borrowings came down sharply because:

- Full redemption of NCDs (Rs 500 Cr, Rs 490 Cr, and Rs 75 Cr); hence, no debentures were left outstanding as of Mar'25.
- Merger of Inox Wind Energy Ltd. (IWEL) with IWL, which led to a liability reduction of ~Rs 2,050 Cr.
- Equity infusion (~Rs 2,300 Cr across IWL & subs) was partly used to retire long-term debt.

FY25 was a Debt Restructuring Year

	FY24	FY25	Comments
Gross Debt	3,237	1,466	Liability reduction due to the merger of Inox Wind Energy Ltd with Inox Wind led to a reduction in liabilities of Rs 2,050 Cr, which was used to reduce debt.
Less: Cash & bank balances (including non-current FDs)	281	657	-
Net Debt	2,956	809	-
Less: Promoter Debt	2,030	560	-
Less: Suppliers' Credit	271	419	-
Net interest-bearing Debt/(cash)	655	-170	-

Source: Company, Axis Securities Research

Forex Analysis

Inox Wind's foreign currency exposure in FY25 stood at Rs 261 Cr (vs. Rs 294 Cr in FY24), with the bulk in USD (Rs 127 Cr) and CNY (Rs 111 Cr), alongside smaller EUR and GBP exposures. While overall exposure declined YoY, the CNY share rose sharply, primarily due to higher sourcing of turbine components from China. The company follows a Board-approved hedging policy using forwards and swaps, without speculative positions. As per the sensitivity analysis, a 10% INR movement could impact profits by about Rs 28 Cr in FY25 (vs. Rs 24 Cr in FY24), highlighting that although USD/EUR risks are better covered, elevated CNY liabilities have increased the company's net forex sensitivity.

Forex Analysis

Currency	FY25 Exposure (Cr)	FY24 Exposure (Cr)	Impact on P&L for 10% INR move FY25 (Cr)	Impact on P&L for 10% INR move FY24 (Cr)	Remark
USD	127.3	223.82	16.61	17.89	Partially hedged via forward contracts.
EUR	20.06	27.13	3.25	3.16	Covered under limits; some residual risk.
GBP	2.25	1.07	0.17	0.07	Minimal exposure.
CNY	111.25	42.41	8.33	2.76	Mostly unhedged (vendor payables).
Total	260.86	294.42	28.36	23.88	Company policy: hedge within limits; no speculative trades.

Source: Company, Axis Securities Research. Note: Exposure means the total of Short Term Borrowings and Trade Payables in the respective foreign currency

Contingent Liability Analysis

Inox Wind's balance sheet risk from disputes is contained, while operational commitments have remained elevated in line with order book growth. Contingent liabilities rose moderately, with the tax-related disputes and legal claims staying broadly stable, with no significant new cases disclosed.

Contingent Liabilities	FY24	FY25
Claims made by contractors	96	62
Claims made by customers for operational matters	181	148
The claim against the Group is not acknowledged as a debt from customers	56	5
Claims made by vendors in the National Company Law Tribunal (NCLT)	48	1
SECI invoked the Bank Guarantee	-	55
VAT/GST matters	8	25
Service tax matter	42	42
Income tax matters	75	167
Labour Cess under the Building Other Construction Workers Act	3	1
Custom duty	10	10
Customs duty exemption availed by the group under the EPCG Scheme	8	-
GST matters	24	58
Litigation with one of the state electricity distribution boards	9	4
Total	559	578
Capital and Other Commitments		
Amounts of contracts remaining to be executed on the capital account	196	208
Amount of customs duty exemption availed by the Group under the EPCG Scheme	6	-
Bank guarantees issued by the Group to its customers/Government Bodies	770	1,070
Estimated amounts of capital commitment for setting up wind farm projects as awarded by SECI	2,025	1,157
Corporate Guarantee given to a Financial Institution and Bank against a loan taken by the group	232	449
Corporate Guarantee given to Customer	18	-
Security to the Bank/financial institution against the loan taken by Inox Clean Energy Limited	192	-
Total	3,439	2,884

Source: Company, Axis Securities Research

Cash Flow Analysis

- **Operating Cash Flow (OCF):** Turned positive in FY25, supported by improved project execution and profitability. Working capital remained elevated due to higher receivable collections as execution picked up pace.
- **Capex (Investing Cash Flow):** Outflows were modest, largely directed towards backward integration (transformer facility, cranes) and the new nacelle/hub plant near Ahmedabad. Importantly, management confirmed that all capex was funded internally, without additional equity raising.
- **Free Cash Flow (FCF):** With strong OCF and manageable capex, free cash flow generation improved YoY in FY25.

Cash Flow Analysis	FY24	FY25	Remarks
Net Cash from operating activities	-147	138	OCF turned positive, led by higher execution
Capex	751	620	Capex declined slightly
FCF	-897	-483	FCF improved YoY but remained negative as Working capital remained high in FY25 on account of high receivables and inventories

Source: Company, Axis Securities Research

Financials (Consolidated)

Profit & Loss

(Rs Cr)

Y/E March	FY24A	FY25	FY26E	FY27E
Total Operating Income	1,743	3,557	5,600	9,058
Cost of Material consumed	1,038	2,054	3,248	5,253
Changes in inventory	(7)	20	-	-
Employees Cost	109	170	267	432
EPC Cost	186	172	557	915
Other Expenses	148	385	560	906
Total Expenditure	1,475	2,800	4,633	7,506
EBITDA	269	757	967	1,551
Depreciation and Amortisation	110	182	175	172
EBIT	159	575	793	1,380
Other Income	56	144	159	167
Less: Interest & Fin Chg.	248	169	70	70
Less: Exceptional Items	14	13	-	-
Profit before tax	(47)	537	882	1,476
Provision for Tax	4	102	-	258
Reported PAT	(51)	435	882	1,218
EPS (Rs/share)	(1.6)	2.8	5.1	7.0

Source: Company, Axis Securities Research

Balance Sheet

(Rs Cr)

Y/E March	FY24A	FY25	FY26E	FY27E
Net Block	1,494	1,980	1,956	1,909
CWIP	266	296	296	296
Goodwill	10	10	10	10
Intangible assets	262	234	234	234
ROU Assets	46	66	66	66
Investments	-	265	265	265
Inventories	1,245	1,352	1,995	3,226
Trade Receivables	1,137	2,688	3,068	3,722
Cash / Bank balance	54	213	565	891
Misc. Assets	2,280	1,691	1,691	1,691
Total assets	6,795	8,795	10,146	12,311
Equity capital	326	1,624	1,624	1,624
Reserves	1,371	3,423	4,304	5,522
NCI	494	559	559	559
Borrowings	3,237	1,466	1,466	1,466
Other Liabilities	748	639	639	639
Provisions	13	19	19	19
Trade Payables	605	1,065	1,534	2,482
Capital employed	6,795	8,795	10,146	12,311

Source: Company, Axis Securities Research

Cash Flow
(Rs Cr)

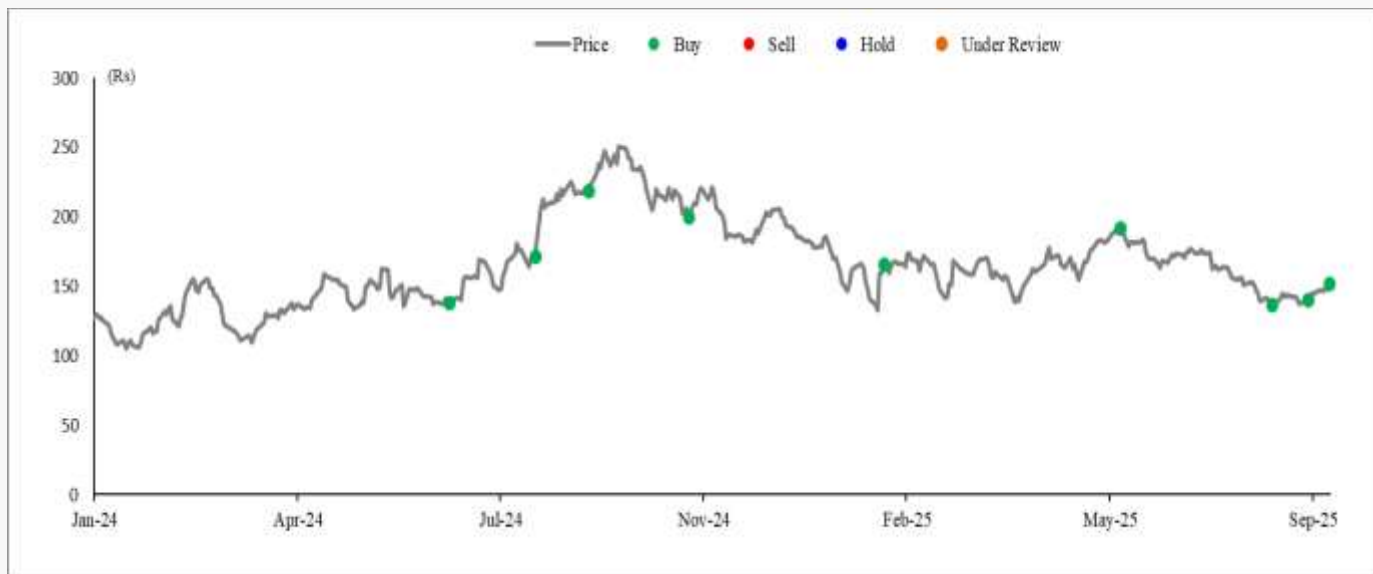
Y/E March	FY24A	FY25	FY26E	FY27E
Profit after tax	(53)	438	882	1,218
Depreciation	110	182	175	172
Interest Expenses	248	169	70	70
Non-operating / EO item	164	163	-	-
Change in W/C	(616)	(823)	(555)	(938)
Operating Cash Flow	(147)	129	572	522
Capital Expenditure	(726)	(620)	(150)	(125)
Free Cash Flow	(873)	(492)	422	397
Other Investments	(14)	1,746	-	-
Investing Cash Flow	(740)	1,125	(150)	(125)
Proceeds / (Repayment) of Borrowings	187	(395)	-	-
Proceeds from preference shares	1,010	-	-	-
Finance cost paid	(319)	(264)	(70)	(70)
Financing Cash Flow	878	(659)	(70)	(70)
Change in Cash	(9)	595	352	327
Opening Cash	21	12	213	565
Closing Cash	12	608	565	891

Ratio Analysis
(%)

Y/E March	FY24A	FY25	FY26E	FY27E
Operational Ratios				
Sales growth (% YoY)	137%	104%	57%	62%
EBITDA Margin %	15%	21%	17%	17%
Net profit Margin %	-3%	12%	16%	13%
Tax Rate %	NA	19%	0%	18%
Efficiency Ratios				
Total Asset Turnover (x)	0.3	0.5	0.6	0.8
Sales/Gross block (x)	0.8	1.3	1.9	3.0
Sales/Net block(x)	1.2	1.8	2.9	4.7
Working capital/Sales (x)	1.0	0.8	0.6	0.5
Valuation Ratios				
PER (x)	NA	59.3	29.2	21.1
P/BV (x)	10.0	5.2	4.3	3.6
EV/EBITDA (x)	76.1	36.8	27.7	17.0
EV/Sales (x)	11.7	7.8	4.8	2.9
Dividend Yield (%)	NA	NA	NA	NA
Return Ratios				
ROE	-2%	13%	16%	19%
ROCE	5%	14%	13%	19%
ROIC	NA	7%	11%	15%
Leverage Ratios				
Debt /equity (x)	1.48	0.26	0.23	0.19
Net debt/ Equity (x)	1.35	0.14	0.07	0.02
Net debt/EBITDA (x)	11.00	1.07	0.47	0.08

Source: Company, Axis Securities Research

Inox Wind Price Chart and Recommendation History



Date	Reco	TP	Research
30-Jun-24	BUY	185	Initiating Coverage
12-Aug-24	BUY	205	Result Update
06-Sep-24	BUY	270	Result Update
26-Oct-24	BUY	270	Result Update
01-Feb-25	BUY	250	Result Update
02-Jun-25	BUY	230	Result Update
18-Aug-25	BUY	190	Result Update
02-Sep-25	BUY	190	Company Update
15-Sep-25	BUY	190	AAA

Source: Axis Securities Research

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